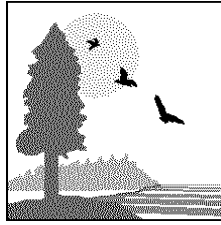


CALIFORNIA STATE LANDS COMMISSION
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202



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**NOTICE OF PREPARATION OF
A DRAFT ENVIRONMENTAL IMPACT REPORT
AND
NOTICE OF PUBLIC SCOPING MEETING**

CSLC EIR No.: 744
Project: EIR for NuStar Selby Marine Oil Terminal
CSLC Ref Files: Lease PRC 5735.1;
W9777.16; W30068.16
SCH# 2007112108

Date: November 28, 2007
To: Public Agencies and Interested Parties

Project: Renewal of Lease to NuStar Energy, L.P. to continue current operations at its marine oil terminal on the Carquinez Strait, near Selby, Contra Costa County, California. NuStar currently leases 10.09 acres of sovereign public land from the CSLC for the wharf portion of its facility, and is seeking approval from the CSLC for a new 30-year lease.

Applicant: NuStar Energy, L.P. (NuStar)
Attn: Mr. Michael Poirier
NuStar -- Director of Health, Safety and Environmental
2941 Navy Drive
Stockton, CA 95206

Location: The NuStar marine oil terminal and storage facilities occupy an industrial area in an unincorporated industrial area (formerly the town of Selby) of Contra Costa County between the cities of Rodeo and Crockett. The wharf stands on the south shoreline of the Carquinez Strait, approximately one mile west of the Interstate 80 Carquinez Strait Bridge.

Project Description:

NuStar Energy, L.P. (NuStar), formerly Valero L.P., is an independent, privately owned transshipper of petroleum products. NuStar proposes to continue operation of its marine oil terminal on the Carquinez Strait, and seeks CSLC approval for a new lease for the wharf portion of its facility for a 30-year period. The current lease term ended December 21, 2006, and is in holdover status. The new lease, if granted by the CSLC, would allow NuStar to continue current operations until 2036. NuStar currently has no plans to expand the operations or equipment on the wharf.

Purpose of Public Scoping Process:

The California State Lands Commission (CSLC) will be the Lead Agency under the California Environmental Quality Act (CEQA), and will prepare an Environmental Impact Report (EIR) for this project.

The purpose of this Notice of Preparation/ Notice of Public Scoping Meeting is to obtain agency and the public's views as to the scope and content of the environmental information and analysis, including the significant environmental issues, reasonable range of alternatives, and mitigation measures that should be included in the draft EIR. Applicable agencies will need to use the EIR when considering related permits or other approvals for the Project.

The Project description, location, and potential environmental effects are discussed in the attached Scoping Document. Due to the time limits mandated by State law, written comments must be sent by **January 11, 2008**. Please send your comments at the earliest possible date to:

Valerie Van Way, Staff Environmental Scientist
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825
FAX: (916) 574-1885 E-mail: vanwayv@slc.ca.gov

NOTE: You are encouraged to submit electronic copies of your comments in Microsoft Word format. If comments are faxed or sent by e-mail, please also mail a copy to ensure that a clean copy is received by this office.

Pursuant to Section 15083, Title 14, California Code of Regulations, the CSLC will also conduct two public scoping meetings for the proposed Project to receive oral or written testimony at the times and places listed below:

DATE: Thursday, January 10, 2008
TIME: 4:00 p.m. and 6:30 p.m.
LOCATION: Contra Costa County Administration Building
Board of Supervisors Conference Room, #101
651 Pine Street
Martinez, California

If you have any questions or would like a copy of this Notice and Attachment 1, please contact Valerie Van Way at the above address, by phone (916) 574-2274, or e-mail at vanwayv@slc.ca.gov. Copies of this Notice will also be available at the public scoping meetings and on the CSLC web page: www.slc.ca.gov (under the "Project Updates" link).

Signature: _____
Valerie Van Way
Staff Environmental Scientist

Date: _____